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ECONOMIC COMMISSION FOR AFRICA

Association of African Tax Administrators
Fifth Executive Committee and
Fourth General Assembly Meetings

Algiers (Algeria), 14-18 March 1988

LC/NAIROBI

REPORT OF THE FIFTH EXECUTIVE COMMITTEE AND FOURTH GENERAL ASSEMBLY MEETINGS OF THE ASSOCIATION OF AFRICAN TAX ADMINISTRATORS

I. The Fifth Executive Committee Meeting

A. ORGANIZATION AND ATTENDANCE

1. The Fifth Meeting of the Executive Committee of the Association of African Tax Administrators was held at El Aurassi hotel, Algiers (Algeria) on 14 March 1988. The meeting was attended by: Egypt (Chairman of AATA), Algeria (Vice-Chairman of AATA), Togo and Uganda. The last two member States representatives were co-opted to represent the Eastern and Southern and West African Sub-regional Committee respectively because the chairmen of those committees were absent. The Chairman of the Central African Sub-regional Committee was absent.

B. AGENDA

2. The members of the Executive Committee adopted the following agenda:

(i) Report on the activities of AATA, including financial statements for the biennium March 1986 to February 1988;

(ii) Provisional programme of work and operating budget of AATA for March 1988 to February 1990;

(iii) Proposed member States' contribution to AATA biennial budget March 1988 to February 1990;

(iv) Progress report on the establishment of the permanent secretariat of AATA;

(v) Date and Venue of the next Executive Committee Meeting.

C. ACCOUNT OF PROCEEDINGS

Opening of the Meeting

3. The chairman of AATA for the biennium 1986-1987 (Egypt) welcomed the other members of the Executive Committee and expressed the hope that their deliberations in the Executive Committee would facilitate the work of the Fourth General Assembly Meeting.

Draft Report on the Activities of the Association of African Tax Administrators including financial situation for the biennium March 1986 to February 1988 - (Agenda item I)

4. A representative of the secretariat introduced the above agenda item on the activities of AATA including the financial situation for the biennium March 1986 to February 1988. In his presentation, the representative informed the members of the Executive Committee that the financial situation of the Association was discouraging because member States were not paying their assessed contributions. In a given budget period since the launching of the Association in February 1980, the trend in payments of assessed contributions had been on the average 25% of the total approved biennium budget. As a result, many of the member States were in arrears of their contributions. With regard to the activities of the Association, the representative of the secretariat informed the meeting that the Third Technical Conference which was planned to be held in 1987 was not held because no member State volunteered to host it.

5. In opening the discussion on the above agenda item, the Chairman (Egypt) stressed the importance of the financial resources of AATA. He called upon members of the Executive Committee to use their influence in their respective subregions to get their member States pay their assessed contributions and arrears. The Committee decided that the interim secretariat, in consultation with the next Chairman of the Association should write to member States which owe arrears and ask them to pay their arrears in instalments.

Provisional Programme of Work and Operating Budget of AATA, March 1988 to February 1990 - (Agenda Item 2)

6. The members of the Executive Committee considered the document E/ECA/PAMI/AATA/88/3 dealing with the provisional programme of work and operating budget of AATA for the biennium March 1988 to February 1990. The Programme of Work proposed for the period March 1988 to February 1990 consisted of:

(i) Special mission to Ethiopia by the Chairman of AATA for the biennium March 1988 to February 1990 to negotiate the establishment of AATA secretariat;

(ii) The holding of the Sixth Executive Committee and the Fifth General Assembly Meetings and the Fourth Technical Conference in 1990.

7. The Chairman of the Committee (Egypt), speaking on the work programme said that the activities outlined would only be achieved if financial resources were made available by member States and he again emphasized his call on member States of the Committee to seriously consider the payment of arrears owed by member States in their subregions.

8. In order to reduce the expenditure on interpreters for the meetings to be held by AATA, it was decided that efforts should always been made to recruit local interpreters and translators. With regard to the holding of the Fourth Technical Conference, it was agreed that because of the financial situation of the Association, it was agreed that the Executive Committee and the General Assembly meetings as well as the Technical Conference should continue to be held at the same time and venue. The programme of work and the budget estimates agreed upon are annexed to this report as Annex I. The member States contributions as at 31 August 1988 and statement of revenue and expenses as at 31 March 1988 are shown in Annexes II and III respectively.

Proposed member States' contributions to AATA biennial budget March 1988 to February 1990- (Agenda Item 3)

9. The representative of the secretariat proposed to the members of the Executive Committee that for assessing member State's contributions to the biennial budgets, the "Equal Share" formula which had been used for the past biennial budgets should be continued to be used. The proposal was accepted by the Executive Committee. The proposed AATA member State's contributions in US dollars based on the "Equal Share" formula for the biennium March 1988 to February 1990 is attached to this report as Annex IV.

Progress Report on the Establishment of a Permanent Secretariat of AATA - (Agenda Item 4)

10. The representative of the secretariat informed the members of the Executive Committee that at the Third General Assembly meeting of the Association of African Tax Administrators (AATA) which was held in Cairo (Egypt) from 12 to 15 March 1986, the issue of the establishment of a permanent secretariat

of AATA was discussed at length. Although it was agreed that the ECA should continue to perform the secretariat services of the Association, members of the General Assembly strongly urged that steps should be taken to explore the feasibility of an early establishment of the permanent secretariat of the Headquarters of AATA. In this connexion, the members of the General Assembly adopted the following resolution:

> "That the Chairman of AATA for the biennium March 1986 to February 1988 should contact the member State, Ethiopia, which had agreed to host the secretariat of AATA to negotiate with it ways and means for the early establishment of AATA permanent secretariat. In order to have this done, the Chairman should put forward proposals for the consideration of the member State, Ethiopia, relating to free office accommodation and other facilities such as secretarial services, etc..".

11. Whilst there was clear evidence of common direction on the part of member States towards the establishment of a permanent secretariat of AATA, the representative of the secretariat said that a dynamic and objective action from member States had been less than adequate. During the period under review, the interim secretariat initiated moves to impelement the resolution of the members of the General Assembly as adopted at their Third General Assembly Meeting held in Cairo in March 1986.

12. The representative further said that it would be noted that the Cairo resolution did not mandate the interim secretariat to negotiate directly with the host member State; Ethiopia, on behalf of the Association. It specifically mandated the Chairman of AATA (Egypt) for the biennium March 1986 to February 1988. However, the interim secretariat in a letter dated 26 October 1987 addressed to the ViceChairman (Algeria), drew his attention to the difficulties the interim secretariat was encountering on the issue. Nonetheless, the interim secretariat wrote to the Ethiopian Government drawing its attention to the Cairo resolution and requested its reaction. No reply was received to that letter.

13. Consequently, the Interim Secretariat put forward again for the consideration of the Committee the following proposals:

(i) That the Chairman of AATA for the biennium 1988-1990 should personally travel to Ethiopia at the expense of AATA to discuss with the Ethiopian Government authorities the Cairo resolution on the establishment of AATA secretariat;

(ii) That [illegible] AATA the permanent secretariat as early as possible so that the Association should become operational and independent of the UNECA.

14. The Committee [illegible] the above proposals to the members of the General Assembly for their approval.

15. The members of the Executive Committee also agreed that the Economic Commission for Africa (ECA) should, in the meantime, continue to provide the interim secretariat services of the Association while solutions were being sought for the establishment of the permanent secretariat of AATA.

Closing of the Fifth Executive Committee Meeting and Adoption of Recommendations

16. The chairman of AATA (Egypt) in closing the meeting thanked the Algerian government for agreeing to host the meetings of AATA.

17. The members of the Executive Committee agreed to submit to the members of the General Assembly meeting the recommendations contained in paragraphs 8, 9, 13, and 15 of this report.

II. Fourth General Assembly Meeting

A. ATTENDANCE

18. The Fourth General Assembly meeting of the Association of African Tax Administrators was held at El-Aurassi Hotel Algiers Algeria. The meeting was attended by Algeria, Burundi, Chad, Djibouti, Egypt, Ethiopia, The Gambia, Morocco, Togo, Tunisia and Uganda. [illegible] attending the meeting was received from [illegible] representatives of Nigeria arrived when the meeting had already [illegible].

Election of Chairman and Vice-Chairman of AATA for the Biennium March [illegible] AATA

19. The following member State representatives were elected by acclamation: Chairman, Mr. Abderrezag Naili-Douaouda, Director of Fiscal Control, Ministry of Finance (Algeria) and Mr. George W. Nagenda, Commissioner, Taxation and Industrial Promotion, Ministry of Finance (Uganda), Vice Chairman.

20. With regard to the members of the Executive Committee, the following member States were elected in addition to the Chairman (Algeria) and Vice-Chairman (Uganda):

- North African Sub-regional Committee: (Egypt);

- West African Sub-regional Committee: (Togo);

- Central African Sub-regional Committee: (Cameroon);

- Eastern and Southern African Sub-regional Committee: (Ethiopia).

21. In accepting the post of Chairman of AATA for the biennium March 1988 to February 1990, Mr. Abderrezag Naili-Douaouda (Algeria) expressed his appreciation for the confidence placed in him and in particular, in his Government by nominating Algeria to be the Chairman of AATA for the biennium March 1988 to February 1990. He stated that his Government would make every effort to make the Association operational and active.

B. AGENDA

22. The members of the General Assembly adopted the following agenda:

1. Opening of the Meeting.

2. Election of Chairman and Vice-Chairman of AATA for the biennium March 1988 to February 1990; Election of the Chairman of the Sub-regional and Executive Committees.

3. Adoption of the summary records of the Third General Assembly meeting of AATA.

4. Adoption of the recommendations of the Fifth Executive Committee meeting.

5. Date and place of the meeting of the Fifth General Assembly meeting.

6. Any other business.

7. Distribution of the draft summary records and closing of the meeting.

C. ACCOUNT OF PROCEEDINGS

Opening of the Meeting

23. The Fourth General Assembly Meeting of AATA was held at El Aurassi hotel, Algiers (Algeria) on 14 March 1988. The

meeting was officially opened by the Minister of Finance of Algeria, H.E. Mr. Abdelaziz Khelef. Before the Minister made his official opening statement, the outgoing Chairman of AATA (Egypt) welcomed the Minister and the participants and thanked the Algerian Government for agreeing to host the meetings of AATA.

24. After the welcome address by the outgoing Chairman of AATA, the representative of the Economic Commission for Africa read a message sent by Professor Adebayo Adedeji Under-Secretary-General of the United Nations and Executive Secretary of the Economic Commission for Africa to the member States of the Association. In his message; Professor Adebayo Adedeji expressed on behalf of the Economic Commission for Africa and the Association of African Tax Administrators his profound gratitude and appreciation to the Government of the Popular Democratic Republic of Algeria for their cordial acceptance to host the meetings of AATA. The message recalled that it was then eight years since the Association was launched in Monrovia, Liberia in February 1980. At that time, the membership of the Association stood at 19 and there were indications at that time that several other member States would join. Since then the trend in membership growth had been static. The message, therefore, called on the member States of the Association to intensify their efforts to promote membership of the Association. In the message, the aim of the Association which was to promote co-operation in the field of taxation policy, legislation and administration in Africa was underlined.

25. It was further emphasized in the message that there was strongly felt need for regional co-operation in the field of taxation among African countries in the wake of the financial crisis facing Africa which was, due among other factors, to inadequate mobilization of domestic financial resources for economic development.

26. The need for regional co-operation among African Tax Administrators was stated in the message to be needed for the assessment of the fiscal implications of the structural adjustment policies and programmes being pursued and undertaken by African Governments. In referring to the financial situation of the Association, the message appealed to member States to pay their assessed contributions and arrears so that the Association would be able to establish its permanent secretariat. In conclusion, the message reiterated ECA's continued dedication to render assistance to all its member States and the Association of African Tax Administrators in their efforts to improve their taxation policies for better and adequate mobilization of their domestic financial resources.

27. After the message from Professor Adebayo Adedeji, the Minister of Finance of Algeria, H.E. Mr. Abdelaziz Khelef officially made his opening statement. The Minister, in his opening statement, welcomed the participants and hoped that they would find Algeria their second home. He expressed his profound thanks and appreciation to the member States of AATA for their collaboration in holding the meetings which were significant in providing a forum for the exchange of views on the socio-economic problems which were of grave concern to all the African developing economies. The problems were indeed, the member said linked to the daily lives of the citizens of Africa. The meetings of AATA were of great contribution by the member States to development. The Minister further stated that taxation problems affect both the state budget and the society as a whole. Social and economic development required more rationalization in work process and food productions which processes, in turn, heavily depended on public revenue. For this reason, efforts should be intensified to increase revenue, the Minister added.

28. The Minister concluded by saying that to achieve the realization of this process, it was important to update the existing tax legislation procedures and practices to enable the tax officials collect the revenue needed to finance economic development process. It was also necessary to develop modern tax systems that were economic development-oriented. That was, indeed, the challenge that faced all African countries.

Adoption of the summary records of the Third General Assembly meeting of AATA

29. The meeting formally adopted the summary records of the Third General Assembly meeting of AATA.

Adoption of the recommendations of the Fifth Executive Committee meeting

30. The outgoing chariman of AATA (Egypt) presented the following recommendations of the Fifth Executive Committee of AATA:

(i) That the Executive Committee and the General Assembly meetings as well as the Technical Conferences of AATA be continued to be held at the same time and venue to save on expenses on fares, subsistence allowances and salaries for interpreters and translators who will be recruited to service the meetings.

(ii) That for assessing AATA member States' contributions to the biennial budgets of the Association, the "Equal Share" formula which had been used for the biennial budgets be continued to be used.

(iii) That for an early establishment of the permanent secretariat of AATA, the following action be taken:

(a) the chirman of AATA for the biennium March 1988 to February 1990 should travel at the expense of AATA to Ethiopia to discuss with the government of the Peoples Democratic Republic of Ethiopia, the Cairo resolution on the establishment of AATA secretariat in Addis Ababa, Ethiopia.

(b) efforts be intensified by the chairman of AATA, (Algeria) for early establishment of AATA.

(iv) that the ECA should continue to perform the interim secretariat services of AATA while solution is found for the establishment of the secretariat of AATA.

31. After discussing the recommendations presented by the outgoing chairman of AATA (Egypt) the members of the General Assembly unanimously adopted them.

Date and Place of the Fifth General Assembly meeting

32. The members of the General Assembly decided that the Fifth General Assembly meeting, the Sixth Executive Committee as well as the Technical Conference should be held in the second half of March 1990. As regards, the venue of the meetings, the General Assembly decided that the interim secretariat should write to all member States to find out which member State would be willing to host the meetings.

Any other Business

33. Under this agenda item, the General Assembly discussed the taxation topics to be discussed at the Fifth Conference to be held in 1990. It was agreed that member States should suggest in writing to the Chariman of AATA (Algeria) proposed taxation topics for the 1990 Technical Conference. The final decision would be taken by the Chairman and communicated to the interim secretariat of AATA.

34. A representative of Algeria proposed and presented to the members of the General Assembly an emblem which the Algerian delegation had designed to be used for AATA. The emblem was unanimously accepted.

Distribution of Draft Summary Records and Closure of the meeting

35. The draft summary records of the meeting were circulated to members of the General Assembly.

36. The Chairman of AATA (Algeria) in his closing remarks referred to the importance of the Fourth General Assembly meeting and the Technical Conference which were held in their city, Algiers. He said that the meetings had helped the participating representatives to know Algeria and to exchange experiences among themselves. He assured the members of the General Assembly that in his capacity as Chairman of AATA for the biennium March 1988 to February 1990 he would exert all his efforts to find soltuions to the establishment of the secretariat of the Association. In conclusion, the chairman called upon the interim secretariat of AATA to contact those African countries which were not members of AATA in an effort to get them join the Association.

37. The representatives of Egypt and Sudan also spoke during the closing of the meeting. They expressed appreciation to the government of the Popular Democratic Republic of Algeria for the hospitality extended to the participants to the meeting. They also thanked the interpreters, translators, organizations, institutions and all those who helped the meeting and the technical conference to be concluded successfully.

Budget Estimates for the Biennium March 1988 - February 1990 in US Dollars

I. Executive Committee/General Assembly Meetings and Taxation Workshop

	Amount in US dollars
(i) Interpreters (4)	
(a) Travel	18,000.00
(b) Subsistence	6,000.00
(c) Salary	16,000.00
Sub-total =	40,000.00
(ii) Translators (2)	
(a) Travel	10,000.00
(b) Subsistence	3,000.00
(c) Salary	9,000.00
(d) Miscellaneous	8,000.00
Sub-total =	30,000.00

2. Special Missions

6 Travel by the chairman in respect of negotiations for the establishment of AATA Headquarters =	10,000.00
Grand Total =	80,000.00

Budget Estim

SUMMARY OR BUDGET ESTIMATES

	Purpose	1988	1989	1990	Total
I.	Fifth General Assembly/Sixth Executive Committee Meetings and Taxation Workshop	-	-	70,000	70,000
II.	Special missions to be undertaken by the Chairman	5,000	5,000	-	10,000
	Total =	6,000	6,000	70,000	80,000

Member States' Contributions
As at 31 March 1988
(inUS$)

Country	Biennium March 1986-February 1988 Assessed Contribtuion	Paid	Balance Outstanding	Biennium March 1982-February 1988 Total Outstanding
1. Algeria	4,000.00	-	4,000.00	25,925.00
2. Benin	4,000.00	-	4,000.00	11,255.00
3. Burkina Faso	4,000.00	-	4,000.00	4,000.00
4. Botswana	4,000.00	4,000.00	-	-
5. Cameroon	4,000.00	7,305.19	-	(Cr.)*
6. Central African Republic	4,000.00	-	4,000.00	14,445.00
7. Comoros	4,000.00	3,000.00	4,000.00	11,938.00
8. Egypt	4,000.00	-	4,000.00	4,000.00
9. Ethiopia	4,000.00	11,255.00	-	-
10. Gabon	4,000.00	-	4,000.00	4,000.00
11. The Gambia	4,000.00	1,716.87	3,297.95	10,083.23
12. Liberia	4,000.00	-	4,000.00	13,657.00
13. Mali	4,000.00	-	4,000.00	11,255.00
14. Malawi	-	-	-	-
15. Niger	4,000.00	-	4,000.00	19,023.00
16. Nigeria	4,000.00	13,895.14	30.11	30.11
17. Senegal	4,000.00	-	4,000.00	22,292.00
18. Swaziland	4,000.00	12,287.00	-	-
19. Togo	4,000.00	-	4,000.00	12,911.17
20. Tunisia	4,000.00	10,244.58	-	(Cr.)*
21. Uganda	4,000.00	-	4,000.00	5,740.00
22. Zaire	4,000.00	-	4,000.00	25,925.00
23. Zambia	4,000.00	11,104.80	-	(Cr.)*
Total	88,000.00	74,808.58	59,328.06	196,479.51

* Over payments

Statement of Revenue and Expenses

(in US$)

		For Biennium March 1984 February 1986	For Biennium March 1986 February 1988
	Revenue		
1.	Balance B/F	54,796.95	35,308.51
2.	Income from member States contributions	29,129.56	74,808.58
3.	Income from Voluntary contributions	1,953.61	-
	Total Revenue	85,880.12	110,117.09
		Expenditure	
		Actual	Estimates
1.	Second Gen. Assembly meeting (Gaborone)	25,456.81	-
2.	Second Technical Conference (Yaounde)	18,223.84	-
3.	Third Gen. Assembly Fourth Exec. Committee meetings (Cairo)	5,675.95	-
4.	Executive Secretaries Conference (PANAMA)	1,215.01	-
5.	Fourth Gen. Assembly Fifth Exec. Committee (Algiers) meetings and Third Technical Conference	-	22,500
6.	Secretarial Services	-	3,000.00
	Total	50,571.61	25,500.00
	Surplus/Deficit	35,308.51	84,617.09

PROPOSED AATA MEMBER STATES' CONTRIBUTIONS
(IN US DOLLARS)

Based on "Equal Share" Formula for the Biennium March 1988 - February 1990

Number	Country	Contributions in US Dollars
1	Algeria	4,000
2	Benin	4,000
3	Botswana	4,000
4	Burkina Faso	4,000
5	Republic of Cameroon	4,000
6	Comoros	4,000
7	Egypt	4,000
8	Ethiopia	4,000
9	Gabon	4,000
10	The Gambia	4,000
11	Liberia	4,000
12	Mali	4,000
13	Niger	4,000
14	Nigeria	4,000
15	Senegal	4,000
16	Togo	4,000
17	Tunisia	4,000
18	Uganda	4,000
19	Zaire	4,000
20	Zambia	4,000
	Total =	80,000